

Line 41— Earned Income Credit (EIC)

What is the EIC?

The EIC is a credit for certain people who work. The credit may give you a refund even if you do not owe any tax.

To Take the EIC:

- Follow the steps below.
- Complete the worksheet that applies to you **or** let the IRS figure the credit for you.
- If you have a qualifying child, complete and attach Schedule EIC.



If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. You may also have to pay penalties.

Step 1 All Filers

1. If, in 2003:

- 2 children lived with you, is the amount on Form 1040A, line 22, less than \$33,692 (\$34,692 if married filing jointly)?
- 1 child lived with you, is the amount on Form 1040A, line 22, less than \$29,666 (\$30,666 if married filing jointly)?
- No children live with you, is the amount on Form 1040A, line 22, less than \$11,230 (\$12,230 if married filing jointly)?

☐ **Yes.** *Continue*
☐ **No.**

You cannot take the credit.

2. Do you, and your spouse if filing a joint return, have a social security number that allows you to work or is valid for EIC purposes (see page 43)?

☐ **Yes.** *Continue*
☐ **No.**

You cannot take the credit.
Put "No" to the left of the entry space for line 41.

3. Is your filing status married filing separately?

☐ **Yes.**
☐ **No.** *Continue*

You cannot take the credit.

4. Were you a nonresident alien for any part of 2003?

☐ **Yes.** *See Nonresident Aliens on page 43.*
☐ **No.** *Go to Step 2.*

Step 2 Investment Income

1. Add the amounts from Form 1040A:

Line 8a _____

Line 8b + _____

Line 9a + _____

Line 10a + _____

Investment Income =

2. Is your investment income more than \$2,600?

☐ **Yes.**
☐ **No.** *Continue*

You cannot take the credit.

3. Did a child live with you in 2003?

☐ **Yes.** *Go to Step 3 on page 41.*
☐ **No.** *Go to Step 4 on page 41.*